THE NORTH CAROLINA AGRICULTURAL WATER RESOURCES ASSISTANCE PROGRAM

District Information
January 17 & 18, 2012

Agenda

http://www.ncagr.gov/sw/agwrap.htm

- Purpose and goals of the program: DIP
- Cooperator requirements: eligibility
- Allocations
- Cost share forms
- District best management practices
- State application process for new pond construction
- Process for requesting technical assistance
- Job approval authority
- Questions

Questions

Please feel free to ask questions throughout the meeting

 If you are have trouble being able to ask your question because other people are talking—please "raise your hand"

Chart

(icon on the lower left corner)

 You can also submit questions by typing in the chat box through the adobe connect pro-meeting

 Please put your phone on mute, unless you are asking a question...that will keep background noise down – thanks!

Questions

- Since this is the first opportunity of our pilot roll out of this program, there will likely be many questions we will have to get back to you with answers.
- If you think of something after the meeting, please continue to send questions to <u>julie.henshaw@ncagr.gov</u> or <u>natalie.woolard@ncagr.gov</u>
- Answers to questions will be posted on the website and updated regularly.

Purpose of AgWRAP

AgWRAP was established through S.L. 2011-145 to assist farmers and landowners in doing any one or more of the following:

- Identify opportunities to increase water use efficiency, availability and storage;
- Implement best management practices (BMPs) to conserve and protect water resources;
- Increase water use efficiency;
- Increase water storage and availability for agricultural purposes.

FY2012 AgWRAP Annual Goals

- 1. Determine best management practices for the program
- 2. Conduct a competitive state allocation for new agricultural water supply ponds
- 3. Allocate funds to soil and water conservation districts for all other BMPs
- 4. Develop a Job Approval Authority Process for AgWRAP BMPs
- 5. Develop a water balance tool to assist districts in conducting site assessments
- 6. Conduct programmatic training for districts

More detailed information is available in the Fiscal Year 2012 Detailed Implementation Plan: http://www.ncagr.gov/sw/agwrap.htm

Cooperator Requirements

 The agricultural water definition, from Protecting Agriculture Water Resources in North Carolina Strategic Plan (February 2011) will be used to determine eligibility for AgWRAP.

Agricultural water is considered to be any water on farms, from surface or subsurface sources, that is used in the production, maintenance, protection or on-farm preparation or treatment of agriculture commodities or products as necessary to grow and/or prepare them for on-farm use or transfer into any form of trade as is normally done with agricultural plant or animal commerce. This expressly includes any on-farm cleaning or processing to make the agricultural product ready for sale or other transfer to any consumer in a usable form. It does not include water used in the manufacture or extended processing of plants or animals or their products when the processor is not the grower or producer and/or is beyond the first handler of the farm product.

Cooperator Requirements (continued)

- Applicants must provide the district office a copy of one of the following documents to demonstrate eligibility:
 - Farm owner or operator's federal tax Schedule F (form 1040) or an equivalent form for the most recent tax year showing the owner or operator's profit or loss from farming.
 - Farm sales tax exemption certificate issued to the farm owner or operator by the Department of Revenue.
 - Forest management plan for forestland actively engaged in the commercial growing of trees as defined in G.S. 105-277.2(6).

Cooperator Requirements (continued)

- Applicant must have an adjusted gross income in each of the previous two years that is less than \$250,000, unless 75% or more of this adjusted gross income is derived directly from farming, ranching, or forestry operations
- Operations must have been in existence for more than one year
- Expansions to existing operations are eligible for the program.

Cooperator Requirements (continued)

- The percent cost share for all BMPs is 75%.
 - Limited resource and beginning farmers and farmers enrolled in Enhanced Voluntary Agriculture Districts are eligible to receive 90% cost share.
- The contract maintenance period for all practices, excluding agricultural pond sediment removal, is 10 years.
- Soil and water conservation districts can adopt additional guidelines for the program as they implement AgWRAP locally.

Allocation of FY2012 funds

- \$1M, non-recurring
- Pilot program approach
- Due to the high cost of some of the program's eligible best management practices, and the limited funding for the program, the Commission awarded two allocations for AgWRAP.
 - 1. State allocation for new pond construction: \$340,000 (40% of available BMP funding)

Funding for the state allocation is only available for the agricultural water supply pond BMP.

2. District allocations: \$510,000 (60% of available BMP funding)

These percentages allow the majority of AgWRAP BMP funding to remain at the district level.

Contract Timeline

 District allocation contracts must submitted by June 6, 2012

 State pond applications must be submitted by February 10, 2012. Applications will be approved at the March 21, 2012 Commission meeting.

 All FY2012 BMPs must be installed by June 30, 2014

DISTRICT ALLOCATION

Information

District Allocation Parameters

- Number of farms (20%)
- Acres of agriculture (20%)
- Agriculture water use (20%)
- Agriculture receipts (10%)
- Population density (30%)

Best Management Practices

- Agricultural pond sediment removal
- Agricultural pond repair or retrofit
- Conservation irrigation conversion
- Micro-irrigation system
- Well

http://www.ncagr.gov/sw/agwrap bmp workgroup.htm

Please submit information about other practices. They can be considered as a district BMP or for inclusion into future program years eligible practices.

Forms

Combined with ACSP forms, with the exception of the NC-AgWRAP-1 form that is only required for new agricultural water supply ponds

http://www.ncagr.gov/sw/agwrap bmp workgroup.htm

or

http://www.ncagr.gov/sw/acspforms.html

PONDS

State allocation information

Goals for state pond allocation

- Goal to fund a minimum of one pond per geographic area:
 Coastal Plain, Piedmont, Mountain
- Goal to distribute funding for ponds among a variety of agricultural sectors:
 - Aquaculture
 - Field crops
 - Forestry
 - Fruit and vegetable
 - Green industry
 - Livestock and poultry (for forages and drinking water)
- For farms with multiple categories, the farm can compete in multiple categories – but only for categories where the pond water will be used

Cost caps

- Actual costs of \$15,000 (75%) or \$18,000 (90%) for pond installation;
- \$7,500 (75%) or \$9,000 (90%) for private PE design
 - *90% cost share available for limited resource farmers, beginning farmers and those in EVADs
- Division engineering support is also an option for landowners; but designs won't be started until applications are funded

Draft State pond ranking criteria

- What percent of your water use demand is reliably provided by existing water sources?
- What percent of total water use demand could be supplied by the pond in this application?
- How is your production limited by the amount of water you have access to?
- How is your existing water supply limiting your ability to adapt to changing markets?
- What percent will this pond decrease your dependence on a public water system or a limited water source?

Draft State pond ranking criteria cont.

- Geographic location of proposed pond location (precipitation data)
- What water conservation measures (steps taken to improve efficiency) are on the operation currently?
- Has a 401/404 exemption, permit or determination of no permit required obtained?
- Is an engineering design complete?
- Is farm enrolled in a VAD or an EVAD?

How to apply?

- Complete an application:
 - http://www.ncagr.gov/sw/agwrap state pond application.htm
 - NC-AgWRAP-1 application form
 - Preliminary site assessment for new ponds (including map)
- Submit to the Division by February 10th
- Applications will be reviewed by work group members: February 10th – March 9th
- Commission approves state pond contracts:
 March 21st

Policy for review of private Professional Engineer Design for AgWRAP BMPs (adopted January 8, 2012)

Private professional engineers are allowed to design BMPs for Commission cost share programs. Division of Soil and Water Conservation engineers will review the sealed designs from private engineers to ensure the design meets the required program standards and specifications for the practice prior to construction. After completing the review of the private engineers design, the division engineer will provide written documentation on whether the practice(s), as designed, meets the required program standards and specification to the local soil and water conservation district. The private engineer/firm will be responsible for construction oversight and certifying the installed practice as-built to complete the cooperator's request for payment.

Job Approval Authority Process

- Official job approval authority will be granted by the NC Soil and Water Conservation Commission for specific technical skills related to AgWRAP eligible practices.
- A job approval authority database will be developed and maintained by DSWC.
- The Commission will not award job approval authority for practices requiring a design by a PE or where there is an applicable approval authority through NRCS.
- The Commission will reevaluate job approval authority for each participant every 4
 years or as deemed necessary.
- The Commission will rescind job approval authority when a participant is no longer employed by a soil and water conservation district or Division of Soil and Water Conservation. Job approval authority can be reinstated if the participant is employed in any district or DSWC within 4 years.

Job Approval Authority Process

- The Commission will rescind job approval authority when a participant is no longer employed by a soil and water conservation district or Division of Soil and Water Conservation. Job approval authority can be reinstated if the participant is employed in any district or DSWC within 4 years.
- The Commission may rescind job approval authority for one or all categories
 if the individual fails to comply with the associated technical standards,
 submits false data or is in any way dishonest.
- Concerns regarding actions by an individual currently granted job approval authority shall be submitted in writing to the Technical Services Section Chief. A technical review team will investigate the complaints and submit to the SWCC a report including recommendation. The technical review team shall consist of 3 individuals with a similar or higher job approval authority than the participant in question.

Job Approval Categories

- Pond Site Assessment
- Sediment Removal Planning and Certification
- Water Need Assessments

Applicants shall demonstrate technical proficiency in at least 1 approved and completed product before receiving certification.

Eligibility

Soil and Water Conservation District employees and Division of Soil and Water Conservation employees

Process for Obtaining Job Approval Authority

- District/Division employees must submit the signed <u>Job Approval Authority</u>
 <u>Request Form</u> and the information specified for the relative skill.
- Job Approval Authority requests must be submitted to the Technical Services Section Chief.
- Requests will be reviewed by a DSWC engineer and recommendations will be presented to the Soil and Water Conservation Commission for approval.
- Job Approval Authority requests can be submitted anytime, but note that a forty-five day review window is required for the review and Commission submittal. If this review window cannot be met, requests will be presented at the next scheduled Commission meeting.

Available Technical Resources

Division staff is available to provide needed technical assistance to implement AgWRAP and address conservation practices associated with the program.

Types of assistance available include but are not limited to engineering services for site evaluation and design, soil interpretive services for site evaluation, and assistance with sediment removal planning

http://www.ncagr.gov/sw/agwrap_tech_workgroup.htm

SWCC Job Approval Authority Website

http://www.ncagr.gov/sw/JAA.htm

Technical Assistance Workgroup Update

- Development a Water Needs Assessment Tool –
 Anticipated to be completed Spring 2012
- Development of a Sediment Removal Plan Template
- Discuss approval of "pre-engineered" designs for irrigation systems
- Discuss standard requirements for high hazard structures

Contact information

For more information or to share suggestions

- Policies and BMPs
 Julie Henshaw <u>julie.henshaw@ncagr.gov</u>
 (919) 715-9630
- Technical assistance and Job Approval Authority Natalie Woolard <u>natalie.woolard@ncagr.gov</u>
 (252) 948-3902

http://www.ncagr.gov/sw/agwrap.htm